

[COMPANY NAME]

SMALL BUSINESS SUBCONTRACTING PLAN

(For information purposes only. The following outline meets the minimum requirements as imposed by Section 8(d) of the Small Business Act, and meets the minimum requirements of the Federal Acquisition Regulation (FAR) Subpart 19.7. This model plan is intended to be used as a guideline. It is not a fill in the blank document and is not intended to replace any existing corporate plan which may be more extensive. If assistance is needed to locate small business sources, contact the Office of Small Business Utilization at 18th and F Streets, NW, Washington, DC 20405 (Phone: (202) 501-1021; Fax (202) 208-5938), or access the Central Contractor Registration (CCR) Dynamic Small Business Search database at www.ccr.gov.) Please delete all instructional information before submitting your plan.

I. IDENTIFICATION DATA:

Company Name: _____

Address: _____

Date Prepared: _____

Item/Service: _____

Solicitation Number: _____

Contract Number: _____

Annual Estimated Sales: \$ _____

Commercial Plan Period: _____

II. TYPE OF PLAN:

COMMERCIAL PLAN: Covers the offeror's fiscal year and applies to the entire production of commercial items sold by either the entire company or a portion thereof (e.g., division, plant, or product line.) Used when the company sells large quantities of commercial items to many Government agencies, and goals are negotiated on a company-wide basis. Plan is done annually, effective during the company's fiscal year, approved by the first Federal agency awarding a contract for commercial supplies/services during the contractor's fiscal year, and is applicable to every additional Federal contract for commercial supplies/services awarded to that contractor during the same fiscal year. A new plan must be obtained and approved 30 days prior to the expiration of the current plan. The contractor must provide a copy of the approved plan to each agency contracting officer responsible for an ongoing contract subject to the plan.

III. GOALS:

A. (For information purposes only. FAR 19.704(a)(1) requires separate percentage goals for using small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns as subcontractors; and a statement of the total dollars planned to be subcontracted and total dollars planned to small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns. NOTE: The dollar amounts planned for subcontracting to SB, HUBZ, SDB, WOSB, VOSB, and to SDVOSB's must be expressed as percentages of the total subcontracting dollars as shown below.) **Commercial plans will always reflect annual company wide goals.**

[Company Name] provides the following separate dollar and percentage goals for small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns. These goals are a percentage of the total subcontracting dollars.

(NOTE: The minimum government-wide subcontracting goals are: 23% to Small Business, 3% to HUBZone Small Business, 6% to Small Disadvantaged Business Concerns, 5% to Women Owned Small Business, 5% to Veteran Owned Small Business, and 3% to Service Disabled Small Business.)

1. Estimated **TOTAL dollars planned to be subcontracted**; i.e. to **all types of business concerns** is \$ _____.
2. Planned subcontracting to **large business concerns** (those classified as other than small) is \$ _____ = _____ % of total
3. Planned subcontracting to **all small business concerns** (includes hubzone small, small disadvantaged, women-owned small, veteran-owned small, service-disabled veteran-owned small and other small businesses) is
\$ _____ = _____ % of total.
4. Planned subcontracting to **hubzone small business concerns** is
\$ _____ = _____ % of total.
5. Planned subcontracting to **small disadvantaged business concerns** is
\$ _____ = _____ % of total.
6. Planned subcontracting to **women-owned small business concerns** is
\$ _____ = _____ % of total.

7. Planned subcontracting to **veteran-owned small business concerns** (includes service-disabled veteran-owned small business) is

\$ _____ = _____ % of total.

8. Planned subcontracting to **service-disabled veteran-owned small business concerns** (subset of VOSB above) is

\$ _____ = _____ % of total.

B. (For information purposes only. FAR 19.704(a)(3) requires a description of the principal types of supplies and services to be subcontracted and an identification of the types planned for subcontracting to SB, HUBZ, SDB, WOSB, VOSB, and to SDVOSB concerns.) (Check all that apply in the matrix below, indicating at least one item for each column.)

The principal types of supplies and/or services that [**Company Name**] anticipates to be subcontracted and the identification of the type of business concern planned are as follows:

Business Category or Size

Supplies/Services	NAICS	Large	Small	HUBZ	SDB	WOSB	VOSB	SDVOSB

C. (For information purposes only. FAR 19.704(a)(4) requires a description of the method used to develop the subcontracting goals. Explain the method and quantitative basis (in dollars) used to establish the percentage goals; provide justification for any low goal(s); state how the areas to be subcontracted to SB, HUBZ, SDB, WOSB, VOSB; and to SDVOSB concerns were determined; and how the capabilities of each were determined.)

[**Company Name**] used the following method to develop the subcontracting goals:

D. (For information purposes only. FAR 19.704(a)(5) requires a description of the method used to identify potential sources for solicitation purpose. Identify all source lists used in the determination.)

[**Company Name**] identifies potential subcontractors using the following source lists and organizations:

Indirect and overhead costs _____ HAVE BEEN (or) _____ HAVE NOT BEEN included in the dollar and percentage subcontracting goals stated above. The indirect and overhead portion was based on the following:

(For information purposes only. FAR 19.704(a)(7) requires the name of an individual employed by the company who will administer the subcontracting program, and a description of their duties. Please include the title or position, address, telephone number, fax number, and/or email of this person. Also provide an **alternate** point of contact responsible for questions on this subcontracting plan.)

Email Address:

A. Developing and promoting company/division policy statements that demonstrate the company's/division's support for awarding contracts and subcontracts to small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns.

- B. Developing and maintaining bidders' lists of small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns from all possible sources.
- C. Ensuring periodic rotation of potential subcontractors on bidders' lists.
- D. Assuring that small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small businesses are included on the bidders' list for every subcontract solicitation for supplies and services they are capable of providing.
- E. Ensuring that subcontract procurement "packages" are designed to permit the maximum possible participation of small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small businesses.
- F. Reviewing subcontract solicitations to remove statements, clauses, etc. which might tend to restrict or prohibit small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small businesses.
- G. Ensuring that the subcontract bid proposal review board documents its reasons for not selecting any low bids submitted by small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small businesses.
- H. Overseeing the establishment and maintenance of contract and subcontract award records.
- I. Attending or arranging for the attendance of company counselors at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, etc.
- J. Directly or indirectly counseling small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns on subcontracting opportunities and how to prepare bids to the company.
- K. Providing notice to subcontractors concerning penalties for misrepresentations of business status as small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, or service-disabled veteran-owned small business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the contractor's subcontracting plan. Small disadvantaged and hubzone small business concerns shall provide a copy of their Small Business Administration (SBA) certification.

(Each SB, WOSB, VOSB, and SDVOSB concern on record as a potential subcontractor shall complete a self-certification form stating their business size. A penalties clause for falsifying information will also be on the form according to the legal statute 15 U.S.C. 645(d). Note, the following notice will read near the business owner's signature. "NOTICE: In accordance with U.S.C. 645(d), any person who misrepresents a firm's proper size classification shall (1) be punishable by imposition of a fine, imprisonment, or both, (2) be subject to administrative remedies,

and (3) be ineligible for participation in programs conducted under the authority of the Small Business Act.”)

- L. Conducting or arranging training for purchasing personnel regarding the intent and impact of Section 8(d) of the Small Business Act on purchasing procedures.
- M. Developing and maintaining an incentive program for buyers, that supports the subcontracting program.
- N. Monitoring the company's performance and making any adjustments necessary to achieve the subcontract plan goals.
- O. Preparing and submitting timely reports.
- P. Coordinating the company's activities during compliance review by Federal agencies.

V. EQUITABLE OPPORTUNITY:

(For information purposes only. FAR 19.704(a)(8) requires a description of the efforts the contractor will make to ensure that SB, HUBZ, SDB, WOSB, VOSB, and SDVOSB concerns have an equitable opportunity to compete for subcontracts.)

[Company Name] will make every effort to ensure that small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns will have an equitable opportunity to compete for subcontracts. These efforts may include one or more of the following activities (please indicate which ones apply):

A. Outreach efforts to obtain sources:

- ☐ Contacting minority and small business trade associations
- ☐ Contacting business development organizations
- ☐ Requesting sources from the Central Contractor Registration (CCR), Dynamic Small Business Search Database, which integrated data from the previous SBA PRO-Net database
- ☐ Attending small, minority, and women-owned small business procurement conferences and trade fairs

B. Internal activities to guide and encourage purchasing personnel:

- ☐ Presenting workshops, seminars and training programs
- ☐ Establishing, maintaining and using small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business source lists, guides, and other data for soliciting subcontracts
- ☐ Monitoring activities to evaluate compliance with the subcontracting plan

C. Additional efforts: (Please describe any others.)

VI. CLAUSE INCLUSION AND FLOW DOWN:

(For information purposes only. FAR 19.704(a)(9) requires assurances that your company include the FAR Clause 52.219-8, "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities, and that your company will require all subcontractors (except small business concerns) that receive subcontracts in excess of \$550,000 (\$1,000,000 for construction) to adopt a plan that complies with the requirements of the clause at 52.219-9, "Small Business Subcontracting Plan.")

[**Company Name**] agrees to include the FAR clause at 52.219-8, "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities, and will further require all subcontractors (except SB concerns), who receive subcontracts in excess of \$550,000, (\$1,000,000 for construction) to adopt a plan that complies with the requirements of the clause at 52.219-9, "Small Business Subcontracting Plan."

VII. REPORTING AND COOPERATION:

(For information purposes only. FAR 19.704(a)(10) requires assurances that your company will (1) cooperate in any studies or surveys as may be required; (2) submit periodic reports so that the Government can determine the extent of compliance with the subcontracting plan; (3) submit Standard Form SF 295, "Summary Subcontract Report," following the instructions on the form or as provided in agency regulations; and (4) ensure that subcontractors agree to submit SF 295.

[**Company Name**] agrees to: (1) cooperate in any studies or surveys as may be required; (2) submit periodic reports which show compliance with the subcontracting plan; (3) submit SF 295, or equivalent, in accordance with agency instructions or regulations; and (4) ensure that subcontractors agree to submit electronic Summary Subcontract Reports (SSRs) via the electronic Subcontracting Reporting System (eSRS).

Reports are to be submitted within 30 days after the close of each calendar period as indicated in the following chart:

<u>Calendar Period</u>	<u>Report Due*</u>	<u>Date Due</u>
10/01-09/30	SF 295 (SSR)	10/30

**Note: Standard Form 295 is no longer acceptable and has been replaced with the electronic submission of Summary Subcontract Reports (SSR) to eSRS via www.esrs.gov.*

VIII. RECORDKEEPING:

(For information purposes only. FAR 19.704(a)(11) requires a description or list of the types of records that will be maintained concerning procedures adopted to comply with the requirements and goals in the plan, including establishing source lists; a description of your efforts to locate small business concerns and to award subcontracts to them.)

[Company Name] will maintain at least the following types of records concerning procedures adopted to comply with the requirements and goals in the plan. Such records may include, but are not limited to:

- A. Small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concern source lists, guides, and other data identifying and locating such vendors, subcontractors or suppliers.
- B. Organizations contacted for small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business sources.
- C. On a contract-by-contract basis, all subcontract solicitations over \$100,000, which indicate for each solicitation (1) whether small business concerns were solicited, and if not, why not; (2) whether hubzone small business concerns were solicited, and if not, why not; (3) whether small disadvantaged business concerns were solicited, and if not, why not; (4) whether women-owned small business concerns were solicited, and if not, why not; (5) whether veteran-owned small business concerns were solicited, and if not, why not; (6) whether service-disabled veteran-owned small business concerns were solicited, and if not, why not; and, (7) reasons for the failure of solicited concerns to receive the award.
- D. Records to support other outreach efforts, e.g., contacts with minority and small business trade associations, attendance at small, minority, and women-owned small business procurement conference and trade fairs.
- E. Records to support internal activities to (1) guide and encourage purchasing personnel, e.g., workshops, seminars, training programs, incentive awards; and (2) monitor activities to evaluate compliance.
- F. On a contract-by-contract basis, records to support subcontract award data including the name, address and business size of each subcontractor. (This item is not required for company or division wide commercial plans).
- G. Other records to support your compliance with the subcontracting plan: (Please describe)

IX. TIMELY PAYMENTS TO SUBCONTRACTORS:

(For information purposes only. FAR 19.702 requires your company to establish and use procedures to ensure the timely payment of amounts due pursuant to the terms of your subcontracts with small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns.)

[Company Name] uses procedures to ensure timely payments of amounts due, pursuant to the terms of its subcontracts with small business concerns, as required in FAR 19.702. (Briefly describe internal systems.)

X. DESCRIPTION OF GOOD FAITH EFFORT:

(For information purposes only. Maximum practicable utilization of small, hubzone small, small disadvantaged, women-owned small, veteran-owned small, and service-disabled veteran-owned small business concerns as subcontractors in Government contracts is a matter of national interest with both social and economic benefits. When a contractor fails to make a good faith effort to comply with a subcontracting plan, these objectives are not achieved, and 15 U.S.C. 637(d)(4)(F) directs that liquidated damages shall be paid by the contractor. In order to demonstrate your compliance with a good faith effort to achieve the small business subcontracting goals, outline the steps below that your company plans to take.)

[Company Name] will take the following steps to demonstrate compliance with a good faith effort in achieving small business subcontracting goals:

These steps will be negotiated with the contracting officer prior to approval of the plan. [Company Name] understands that this subcontracting plan will be made a material part of the contract and that the submission of the SF 295(SSR) will be made a line item deliverable in the contract.

XI. SIGNATURE REQUIRED: Plan must be signed and dated to be valid.

This subcontracting plan was SUBMITTED by:

Signature: _____

Typed Name: _____

Title: _____

Date Signed: _____

This subcontracting plan was ACCEPTED by:

Signature: _____

Typed Name: _____

Title: Administrative Contracting Officer
 General Services Administration

Date Signed: _____